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FM AMEMBASSY ABUJA
TO RUEHC/SECSTATE WASHDC 5603
INFO RUEHZK/ECOWAS COLLECTIVE
RUEHYD/AMEMBASSY YAOUNDE 0727
RUEHSA/AMEMBASSY PRETORIA 1768
RUCPDO/DEPT OF COMMERCE WASHDC
RUEATRS/DEPT OF TREASURY WASHDC
RHEBAAA/DEPT OF ENERGY WASHDC
RUEHC/DEPT OF LABOR WASHDC
RUEHRC/DEPT OF AGRICULTURE WASHDC
RUEAIIA/CIA WASHDC
RUEKDIA/DIA WASHDC
RHMFISS/HQ USAFRICOM STUTTGART GE
RUZEJAA/JAC MOLESWORTH RAF MOLESWORTH UK

UNCLAS SECTION 01 OF 03 ABUJA 000526

SENSITIVE
SIPDIS

DEPARTMENT PASS TO USTR-AGAMA
DEPARTMENT PASS TO USAID/AFR FOR ATWOOD
DOE FOR GPERSON, CHAYLOCK
LABOR FOR SHALEY
USDA/FAS/OTP FOR MCKENZIE

E.O. 12958: N/A

TAGS: [PGOV](#) [ECON](#) [ELAB](#) [EPET](#) [EFIN](#) [EAGR](#) [KDEM](#) [NI](#)

SUBJECT: NIGERIA: BI-WEEKLY POL/ECON UPDATES FOR MARCH 1-14, 2009

Ref: A. ABUJA 483

[1](#)B. ABUJA 316

[1](#)C. LAGOS 2

[1](#)1. (U) The Following is a joint Embassy Abuja, ConGen Lagos compilation of March 1-14, 2009 political/economic highlights, which did not feature in our other reporting, covering:

--Economic News
--Health
--Northern Nigeria
--Southern Nigeria
--Delta Incidents

Economic News

[1](#)2. (U) GOVERNMENT OF NIGERIA APPOINTS NEW DIRECTOR GENERAL FOR THE BUREAU OF PUBLIC ENTERPRISES: On March 10, President Yar'adua approved the appointment of Dr. Christopher Uloneme Anyanwu as the new Director General of the Bureau of Public Enterprises (GON's privatization agency). Dr. Anyanwu replaces Mrs. Irene Chigbue. Anyanwu holds a PhD in Law from the University of Buckingham, United Kingdom. Before his appointment, he was the Head of Public and Private Law Department, Faculty of Law of the University of Nigeria, Nsukka. His appointment takes effect from March 7, 2009.

[1](#)3. (U) COMMERCE MINISTRY TO PROMOTE NON-OIL EXPORTS: Humphrey Aba, Minister of State for Commerce recently disclosed that the Ministry of Commerce and Industry will take the lead in diversifying the economy from oil. He said that the non-oil sector will be promoted and improved upon to reduce dependence on oil. He also mentioned that while focusing on non-oil trade there will be a deliberate effort to promote intellectual property, which is a major revenue earner for other countries.

[1](#)4. (U) NIGERIA AND CHINA TO HOLD TRADE AND INVESTMENT FORUM: During a recent visit of a Chinese Government delegation led by the Mr. Zhu Min, Director General, Department of Foreign Trade and Economic Cooperation, Jiangsu Provincial Government, Linus Awute, Permanent Secretary of the Ministry of Commerce and Industry commended Chinese businesses for showing interest in investing in Nigeria. Awute stated that he looks forward to the upcoming Nigeria-China Trade &

Investment Forum scheduled to be held in Abuja from May 17 - 21, 2009. He mentioned that the Ministry of Commerce & Industry will ensure the participation of the 36 states of the federation, and will also work closely with the Chinese business community in Nigeria to achieve a successful summit. The Chinese delegation stated that they are in Nigeria to explore investment opportunities because they see Nigeria as an attractive investment

15. (U) LOCAL ENVIRONMENTAL GROUPS DEMAND END WITH GENETICALLY MODIFIED CASSAVA EXPERIMENT: According to press reports, Friends of Earth Nigeria and Environmental Rights Action, two vocal Nigerian Environmental groups, have expressed concerns against the alleged approval by the GON of field testing of genetically modified (GM) cassava plants in Nigeria. The groups expressed their concerns about the effects of the crop on human health and the environment. They asserted that Nigeria's food security lies in building the capacity of its farmers and not in GM foods.

Health

16. (U) A NEW PUSH AGAINST POLIO IN KANO: According to press reports, in a big new anti-polio push Muslim clerics have joined community leaders, health workers and victims in waging war against polio in Kano State, the epicenter of the polio epidemic in Nigeria. In 2003, imams in northern Nigeria fomented a boycott of polio vaccinations claiming they were a Western plot to make Muslims infertile or infect them with AIDS. As a direct result, the number of newly crippled children rose by more than double the following year. Now, after another tripling of cases in 2008, town criers announce polio campaigns, at Friday sermons Immas encourage parents

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to vaccinate their children. Polio victims have also joined the campaign and tell parents not to allow their children to be crippled for life.

17. (U) NIGERIAN AIDS PATIENTS MARRY EACH OTHER: Bauchi State in Northern Nigeria is encouraging people living with HIV to marry each other and offers counseling and cash toward the union. State officials say that Nigeria is a polygamous society where divorce is common and condom use low. In addition they say, that such unions provide more than companionship, as HIV-positive people are stigmatized by the society. Because of privacy restrictions, the State does not introduce potential couples. But when officials hear of HIV-infected people courting each other they step in and encourage marriage. Couples receive treatment and counseling to prevent mother to child transmission. Bauchi is the only one out of 36 Nigerian states that has introduced the program. Some health experts have criticized the plan, saying that if HIV positive couples are encouraged to have babies that more children could end up orphaned.

Northern Nigeria

18. (U) TRADITIONAL AND RELIGIOUS LEADERS CALL FOR AN END TO RELIGIOUS DISCRIMINATION, INCITEMENT: On March 4 Archbishop John Oniyekan, the co- chairman of the Nigerian Inter-religious Council (NIREC) and president of the Christian Association of Nigeria (CAN), called for a law that would make it criminal for any religious preacher who incites his followers against innocent citizens or the government. His co-chairman, the Sultan of Sokoto, said Nigeria Inter-religious Council should expand its capacity with coverage down to the local government areas and he called for the creation of a National Traditional Rulers Council. The Emir of Dass in Bauchi State, Alhaji Bilyaminu Othman, urged the Federal Government to enact a law against ethnic and religious discrimination. In an interview with the News Agency of Nigeria on March 10 he expressed his belief that if Nigeria's democratic institutions were working well that people in the country would learn to live together.

19. (U) ANGLICAN LEADER REFUTES CLAIM THAT CRISES ARE POLITICALLY MOTIVATED: On March 12 the Primate of the Church of Nigeria (Anglican Communion), Rev. Peter Akinola, alleged that the recent crises in Jos, Plateau State and Bauchi State were deliberately

planned to target the growing Christian population in northern Nigeria. He refuted the claim that the crises were politically motivated and said "If that was the case, why were churches attacked and Christians killed when political party offices and the Independent National Electoral Commission (INEC) building that should have been the target?"

¶10. (U) NEW EMIR OF FIKA: Alhaji Muhammadu Alkali Ibn Abali has been appointed as the new Emir of Fika. He succeeds his late father, Alhaji Mohammed Abali Ibn Mohammed Idrissa who died on March 10. Abali is 52 years old, holds a masters degree in international relations from London City University and was previously the District Head of Potiskum.

Southern Nigeria

¶11. (SBU) Doug Smith, Director of Terminal Operations, APM Terminals Apapa Ltd., told EconOff March 11 that the Nigerian Port Authority (NPA) has not enforced its February 20 directive to not accept new ship entry applications for all container vessels to berth at Lagos ports. Following the announcement, terminal operators lobbied the Ministry of Transportation (MOT) to reverse the directive. Smith believes that the NPA, while not rescinding the suspension outright, will choose to not enforce it. In return for the NPA's backpedaling, APMT had agreed to move unclaimed cargoes at Lagos ports to Port Harcourt ports to help alleviate congestion.

¶12. (SBU) On March 11, the Lagos Consul General participated in an American Business Council roundtable discussion on the energy sector. Energyoff gave a brief presentation on the various USG

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energy related projects in Nigeria. The presentation was followed by a discussion on the current state of the power in Nigeria. Representatives from AES and ConocoPhillips said their power projects are hampered by the GON's failure to honor contracts and make timely payments for electricity it has purchased. Both agreed that while senior Nigerian government officials understand that this failure to meet contractual obligations discourages additional investment in the electricity sector, those officials seem unwilling or unable to change the situation. Both AES and ConocoPhillips encouraged the Mission to continue to work closely with the Nigerian Electricity Regulatory Commission despite recent legal problems surrounding its commissioners. All private sector members of the roundtable, which included representatives from large and small oil companies and major US banks, agreed that recent changes in the leadership in the Power Holding Company of Nigeria indicate that the Minister of Power is consolidating his hold over Nigeria's electricity sector and this may herald a renewed push towards privatization.

¶13. (U) BusinessDay Online reported on March 11 that Bayelsa State was currently paying salaries for between 26,700 and 28,000 civil servants. A state of Bayelsa's size, with a population of roughly two million people, should not have more than between 4,000 and 5,000 civil servants, the report estimated. According to the article, the costs of paying salaries amounted to roughly four billion Naira (\$26.6 million) per month and have "outpaced monthly income." Furthermore, Bayelsa's wage bill is much higher than the monthly wage bill of larger states in the same South-South region. The report cited allegations that some civil servants were receiving salaries in up to four to five government ministries at the same time. It also noted allegations that many workers do not exist at all, but are "ghost workers," whose salaries are collected by "top officials of the state civil service."

Delta Incidents; No Americans Involved

¶14. (U) The press reported and Shell sources confirmed that the Trans-Escravos pipeline was sabotaged in the early morning of March 11. No injuries were incurred or hostages taken, however, an estimated 70,000 barrels/day are shut-in.

¶15. (U) The President of the Nigerian Trawler Owners' Association

(NITOA) told PolOff that the captain of one of the Association's trawlers was shot dead by pirates in an incident on March 4. This was the 20th incident of piracy involving fishing trawlers since the start of 2009 according to NITOA president.

¶16. (U) According to press reports a Chevron crude oil pipeline on the border between Delta and Bayelsa States was sabotaged on March 4; Chevron announced the attack took 11,500 barrels out of daily production. No estimate was given for the pipeline's return to service.

¶17. (U) The press reported that on March 4, one to four local ferries (reports varied) operated by the Bonny Local Government and carrying between 21 and 30 passengers were attacked by armed men in fast boats. Most of the passengers were robbed and then abandoned, but two taken away by the armed men. The boats were later found. All victims were Nigerians.

¶18. (U) On March 4, a Lebanese construction worker was abducted in Bayelsa State according to media reports.

SANDERS